

STATE PROCUREMENT OFFICE  
HONOLULU, HAWAII  
LEGAL AD DATE: May 22, 1997

INVITATION FOR BIDS  
NO. IFB-97-240-O

SEALED BIDS  
FOR  
FURNISHING  
MESSENGER SERVICE  
FOR  
DEPARTMENT OF HUMAN SERVICES  
MED-QUEST DIVISION, ELIGIBILITY BRANCH

will be received up to and opened at 2:00 p.m.

on

June 4, 1997

in the State Procurement Office, Kalanimoku Building, 1151 Punchbowl Street, Room 416, Honolulu, Hawaii.

Questions relating to this bid solicitation may be directed to Ms. Caroldynne Yamashita, phone (808) 586-0566, facsimile (808) 586-0570.

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ROBERT J. GOVERNS, CPPB  
Procurement Officer

**WAGE CERTIFICATE**  
(For Service Contracts)

Subject: IFB/RFP No.: \_\_\_\_\_

Title of IFB/RFP: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
(To be completed by offeror)

Pursuant to Section 103-55, Hawaii Revised Statutes (HRS), I hereby certify that if awarded the contract in excess of \$5,000, the services to be performed will be performed under the following conditions:

1. The services to be rendered shall be performed by employees paid at wages or salaries not less than the wages paid to public officers and employees for similar work; and
2. All applicable laws of the federal and state governments relating to workers' compensation, unemployment compensation, payment of wages, and safety will be fully complied with.

I understand that failure to comply with the above conditions during the period of the contract shall result in cancellation of the contract, unless such noncompliance is corrected within a reasonable period as determined by the procurement officer. Payment in the final settlement of the contract or the release of bonds, if applicable, or both shall not be made unless the procurement officer has determined that the noncompliance has been corrected; and

I further understand that all payments required by Federal and State laws to be made by employers for the benefit of their employees are to be paid in addition to the base wage required by section 103-55, HRS.

Offeror \_\_\_\_\_

Signature \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

MESSENGER SERVICE  
FOR  
DEPARTMENT OF HUMAN SERVICES  
MED-QUEST DIVISION, ELIGIBILITY BRANCH  
IFB-97-240-O

Procurement Officer  
State Procurement Office  
State of Hawaii  
Honolulu, Hawaii 96813

Dear Sir:

The undersigned has carefully read and understands the terms and conditions specified in the Specifications and Special Provisions attached hereto, and in the General Terms and Conditions dated September 1, 1995 by reference made a part hereof and available upon request; and hereby submits the following offer to perform the work specified herein, all in accordance with the true intent and meaning thereof.

The undersigned further understands and agrees that by submitting this offer, 1) he/she is declaring his/her offer is not in violation of Chapter 84, Hawaii Revised Statutes, concerning prohibited State contracts, and 2) he/she is certifying that the price(s) submitted was (were) independently arrived at without collusion.

Date: \_\_\_\_\_

Respectfully submitted,

Telephone No.: \_\_\_\_\_

Fax No.: \_\_\_\_\_

\_\_\_\_\_  
Exact Legal Name of Offeror

Payment address, if other than  
street address at right:

\_\_\_\_\_  
Authorized Signature (Original)

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Title

Hawaii General Excise Tax Lic.  
I.D. No.: \_\_\_\_\_

\_\_\_\_\_  
Street Address

Social Sec. or Federal I.D. No.: \_\_\_\_\_

\_\_\_\_\_  
City, State, Zip Code

If offeror shown above is a "dba" or a "division" of a corporation, furnish the exact legal name of the corporation under which the contract, if awarded, will be executed:

Offeror is: \_\_\_\_ Individual \_\_\_\_ Partnership \_\_\_\_ Corporation \_\_\_\_ Joint  
Venture

State of incorporation: Hawaii \_\_\_\_\_ \*Other \_\_\_\_\_

\*If "other", is corporate seal available in Hawaii? \_\_\_\_ Yes \_\_\_\_ No

The following bid is hereby submitted to provide Messenger Services for the Department of Human Services, Med-QUEST Division, Administration Office and Eligibility Branch, as specified herein:

<u>Item</u>	<u>Bid Price Per Month</u>	<u>No. of Months</u>	<u>Total Bid Price</u>
1. Administration Office	\$_____	12	\$_____
2. Eligibility Branch	\$_____	12	\$_____
TOTAL SUM BID PRICE (Items 1 & 2):			\$_____

Percentage of bid price per month that represents labor costs:  
\_\_\_\_\_%

Is work performed by employees under this contract similar to that performed by public employees as described in the attached Class Specification? \_\_\_\_Yes \_\_\_\_No

No. of years bidder has been operating a messenger or courier service  
\_\_\_\_\_

Business Address \_\_\_\_\_  
\_\_\_\_\_

Telephone Number \_\_\_\_\_(Answering service not acceptable)

Contact Person \_\_\_\_\_

Insurance coverage as required by the Special Provisions will be provided by:

Commercial General Liability (Occurrence Form)

Insurance Company \_\_\_\_\_ Policy No. \_\_\_\_\_

Agent \_\_\_\_\_ Policy Expiration Date \_\_\_\_\_

Offeror \_\_\_\_\_

Automobile Liability

Insurance Company \_\_\_\_\_ Policy No. \_\_\_\_\_

Agent \_\_\_\_\_ Policy Expiration Date \_\_\_\_\_

Workers' Compensation

Insurance Company \_\_\_\_\_ Policy No. \_\_\_\_\_

Agent \_\_\_\_\_ Policy Expiration Date \_\_\_\_\_

Temporary Disability

Insurance Company \_\_\_\_\_ Policy No. \_\_\_\_\_

Agent \_\_\_\_\_ Policy Expiration Date \_\_\_\_\_

Prepaid Health Carrier \_\_\_\_\_

Unemployment Insurance: State of Hawaii Labor No. \_\_\_\_\_

Listed below are the names and addresses of three companies or government agencies for whom bidder has provided or is presently providing messenger service.

Name, Address, Telephone No. and Contact Person:

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

Offeror \_\_\_\_\_

## **SPECIFICATIONS**

### **SCOPE**

Contractor shall provide all the necessary equipment, vehicles, personnel and supervision and therewith satisfactorily provide messenger services for the Department of Human Services, Med-QUEST Division, Administration Office and Eligibility Branch.

### **DESCRIPTION OF WORK**

With the exception of Budget and Finance, messenger services shall be provided from Monday through Friday, except on State holidays. Messenger service to/from Budget and Finance shall be provided three (3) times per week except on State holidays. Messenger services shall consist of same day pick-up and delivery of mail which shall include envelopes, boxes, parcels and bags. The weight of boxes and bagged items will not exceed 55 pounds per item.

### **PICK-UP AND DELIVERY SCHEDULE**

Messenger services shall be provided between various offices as indicated on the attached Service Schedule. Contractor shall strictly adhere to pick-up and delivery schedules to insure that all divisions/offices receive important information on a timely basis. Liquidated damages for late or missed pickups may be assessed.

### **STATE'S RESPONSIBILITY**

The State shall ensure that all mail is properly secured, sealed/fastened, and clearly labeled with the delivery address.

### **CONTRACTOR'S RESPONSIBILITY**

Contractor's responsibility begins when mail is picked up by the Contractor at the originating office and terminates upon delivery to the specified destination for each office specified herein.

Contractor shall be obliged to receive only properly sealed, secured, fastened and labeled mail.

It shall be the Contractor's responsibility to insure that containers, (boxes, bags, packages, envelopes) are not lost, stolen, destroyed, or damaged in transit. Contractor shall be responsible and liable for any loss of property which is received in accordance with the contract.

**SERVICE SCHEDULE - ITEM 1**

**Med-QUEST Division (MQD)**

**Administration Office**

Address: Haseko Center  
820 Mililani Street, Room 717  
Honolulu, HI 96813

Abbreviations: Haseko Center - HC  
Liliuokalani Bldg. - LB

LOCATION	APPROX. TIME	SERVICE PERFORMED	
Airport Post Office Box 380044	7:45 am - 8:00 am	Pick-up	Drop-off at HC
DHS Office Service 1390 Miller St. Rm. 205 Liliuokalani Bldg.	8:00 am - 8:15 am	Pick up	Drop-off at HC
820 Mililani St. Rm. 717 Haseko Center	8:15 am - 8:30 am	Drop-off and Pick-up	Drop-off Airport and LB mail at HC  Pick-up mail from HC Rms 717 and 606. Drop-off at LB & Budget & Finance.
1390 Miller St. Rm 205 Liliuokalani Bldg.	8:30 am - 8:45 am	Drop-off	
Budget & Finance State Capitol Rm 104	8:45 am - 9:00 am	Drop-off and Pick-up	Drop-off and Pick- up Budget & Finance pouch
1390 Miller St. Rm 205 Liliuokalani Bldg.	1:15 pm - 1:30 pm	Pick-up	Drop-off at HC
820 Mililani St. Rm 717 Haseko Center	1:30 pm - 1:45 pm	Drop-off and Pick-up	Drop-off LB mail and Budget & Finance pouch; Pick-up HC mail. Drop-off at LB
1390 Miller St. Rm 205 Liliuokalani Bldg.	1:45 pm - 2:00 pm	Drop-off	

**SERVICE SCHEDULE - ITEM 2**

**Med-QUEST Division (MQD)**

**Eligibility Branch**

Address: 801 Dillingham Boulevard  
3rd Floor  
Honolulu, HI 96817

Abbreviations: Eligibility Branch - EB

LOCATION	APPROX. TIME	SERVICE PERFORMED	
801 Dillingham Blvd. 3rd Floor	8:00 am - 8:15 am	Pick-up	Drop-off at LB
1390 Miller St. Rm. 205 Liliuokalani Bldg	8:15 am - 8:30 am	Drop-off and Pick-up	Drop-off and Pick- up EB mail
Downtown Post Office (Box 3490 at Window 13 - phantom box)	8:30 am - 8:45 am	Pick-up	Drop-off at EB
801 Dillingham Blvd. 3rd Floor	8:45 am - 9:00 am	Drop-off	
801 Dillingham Blvd. 3rd Floor	1:30 pm - 1:45 pm	Pick-up EB and postal mail	Drop-off at Post Office and LB
Downtown Post Office	1:45 pm - 2:00 pm	Drop-off postal mail	
1390 Miller St. Rm 205 Liliuokalani Bldg.	2:00 pm - 2:15 pm	Drop-off and Pick-up	Drop-off and Pick- up EB mail
801 Dillingham Blvd. 3rd Floor	2:15 pm - 2:30 pm	Drop-off	



## **SPECIAL PROVISIONS**

### **SCOPE**

The furnishing of Messenger Service for the Department of Human Services, Med-QUEST Division, Administration Office and Eligibility Branch, shall be in accordance with these Special Provisions, the attached Specifications, the General Terms and Conditions dated September 1, 1995 and included by reference. Copies of the General Terms and Conditions are available at the State Procurement Office, Room 416, 1151 Punchbowl Street, Honolulu, Hawaii.

### **OFFICER-IN-CHARGE**

For purposes of this contract, Mrs. Kamaile Kinolau, telephone 586-5486, is designated Officer-in-Charge.

### **TERM OF CONTRACT**

Contractor shall enter into a contract for furnishing messenger service for the twelve-month period July 1, 1997 to June 30, 1998.

Unless terminated, the contract shall be extended for not more than one additional twelve-month period or any period thereof without the necessity of rebidding, upon mutual agreement in writing at least sixty (60) days prior to expiration, provided the contract price for the extended period remains the same or lower than the initial bid price or as adjusted for any allowable increase related to increased wages for employees performing similar work.

The Contractor or the State may terminate the extended contract at any time upon sixty (60) days prior written notice.

### **BIDDER QUALIFICATION AND REQUIREMENTS**

To assure the State that the bidder is capable of performing the work specified herein, bidder must meet the following:

1. Bidder must have a permanent office address on the island of Oahu and shall indicate on the Offer Form page, bidder's business address, telephone number and name of contact person.
2. Bidder must have at least six (6) months experience operating a messenger service business. Proof shall be furnished upon request. Bidder shall indicate on the Offer Form, the length of time bidder has been in operation as a messenger service.

### **MULTIPLE OR ALTERNATE BIDS**

An offeror may submit only one bid in response to a solicitation. If an offeror submits more than one bid in response to a solicitation, then all such bids will be rejected.

Similarly, an offeror may submit only one bid for each line item (if any) of a solicitation. If an offeror submits more than one bid per line item, then all bids for that line item will be rejected.

## **BID PREPARATION**

**Offer Form, Page OF-1.** Offeror is requested to submit offer using offeror's exact legal name as registered with the Department of Commerce and Consumer Affairs, if applicable; and to indicate exact legal name in the appropriate space on OFFER FORM, page OF-1. Failure to do so may delay proper execution of contract.

Offeror's authorized signature shall be an original signature ink. If OFFER FORM, page OF-1 is unsigned or the affixed signature is a facsimile or photocopy, the offer shall be automatically rejected unless accompanied by other material containing an original signature, indicating the offeror's intent to be bound.

**Bid Quotation.** Bid price shall include labor, equipment, transportation, all applicable taxes and all other costs incurred to provide services as specified.

## **SERVICE/CONSULTANT CONTRACTS:**

**Tax Liability.** Work to be performed under this solicitation is a business activity taxable under Chapter 237, Hawaii Revised Statutes (HRS), and vendors are advised that they are liable for the Hawaii General Excise tax (GET) at the current 4% rate. If, however, an offeror is a person exempt by the HRS from paying the GET and therefore not liable for the taxes on this solicitation, offeror shall state its tax exempt status and cite the HRS chapter or section allowing the exemption.

**Tax Equalization Provision.** For evaluation purposes, pursuant to §103-53.5, HRS, as amended, the price offer submitted by an offeror not liable for the GET under this solicitation, shall be increased by the current rate of the GET. Under no circumstance shall the dollar amount of the award include the aforementioned adjustment.

**Hawaii General Excise Tax License.** In accordance with Section 3.13 of the General Terms and Conditions, Offeror shall submit his current Hawaii General Excise Tax I.D. number in the space provided of the OFFER FORM page OF-1.

**Offer Guaranty.** A BID SECURITY DEPOSIT IS NOT REQUIRED FOR THIS BID.

**Tax Clearance.** An **original or certified copy** of a tax clearance issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS) must be submitted with your sealed offer by the due date and time. The tax clearance shall be obtained on the attached two-part **Tax Clearance Application (Form A-6)** that combines DOTAX and IRS tax clearances.

The application may be mailed in or walked in to either the DOTAX or the IRS. The addresses for DOTAX and IRS district offices are listed on Form A-6. There is limited walk-in service at IRS Maui and Hawaii offices, and none on Kauai.

The DOTAX and IRS encourage the use of their mail-in service, in lieu of walk-in service. We recommend that you mail it to DOTAX where it will be processed and forwarded to the IRS. The process should be completed within twenty-one (21) calendar days. Use of the walk-in service may result in waiting in line at both agencies.

### **Tax Clearance (continued)**

For your information, the tax clearance is valid for forty-five (45) days. If the DOTAX approves a tax clearance certificate on one date and the IRS approves it on another date, the 45-day period will begin with the later date. For example:

DOTAX approval stamp date: 7/1/96  
IRS approval stamp date: 7/5/96  
Tax clearance valid: 7/5/96 to 8/18/96

The tax clearance submitted with your sealed offer must be valid on the solicitation legal ad date or any date thereafter up to the offer due date. A valid tax clearance received with your offer will remain valid for the contract award.

**Since this is a new process, however, and a mail-in application is encouraged, we will accept for the purpose of this solicitation a completed SPO Form TEMP B, "Certification for Tax Clearance" in place of the DOTAX Form A-6, if you are unable to obtain a tax clearance by mail in time to include it with your sealed offer. See attached pink NOTICE for the SPO Form TEMP B.**

**FOR THIS SOLICITATION, HOWEVER, OFFERORS ARE INFORMED THAT REQUIRED TAX CLEARANCE MUST BE SUBMITTED TO THE STATE PROCUREMENT OFFICE NO LATER THAN JUNE 12, 1997 IN ORDER TO BE CONSIDERED FOR AWARD. FAILURE TO SUBMIT THE TAX CLEARANCE BY THIS DATE SHALL RENDER OFFEROR'S SUBMITTAL NON-RESPONSIVE.**

NOTE: The above tax clearance requirement is in addition to the existing requirement for final payment. Refer to the special provisions on INVOICING below for information on the tax clearance requirement for final payment.

**Insurance.** Bidder shall provide the requested insurance information on the Offer Form.

**References.** Bidder shall also furnish on the Offer Form, the names and addresses of at least three (3) companies or government agencies for whom bidder has provided or is currently providing comparable messenger services as specified herein, and who can attest to the reliability of the bidder's service and/or personnel. The State reserves the right to contact any of the listed companies or agencies to inquire about the bidder's past performance.

### **STATUTORY REQUIREMENTS OF SECTION 103-55, Hawaii Revised Statutes (HRS)**

Refer to Section 2.8 of the General Terms and Conditions. Bidder shall complete and submit the attached wage certification by which bidder certifies that the services required will be performed pursuant to Section 103-55, HRS.

Bidders are advised that Section 103-55, HRS, provides that the services to be performed shall be performed by employees paid at wages not less than wages paid to public officers and employees for similar work. Bidders are further advised that in the event of an increase in wages for public employees performing similar work during the period of the contract, Contractor shall be obliged to provide wages not less than those increased wages.

**STATUTORY REQUIREMENTS OF SECTION 103-55, Hawaii Revised Statutes (HRS)  
(continued)**

Contractor shall be further obliged to notify his employees performing work under this contract of the provisions of 103-55, HRS, and of the current wage rate for public employees performing similar work. Contractor may meet this obligation by posting a notice to this effect in the Contractor's place of business in an area accessible to all employees, or the Contractor may include such notice with each paycheck or pay envelope furnished to the employee.

To assist the bidder in determining whether the work his employees are to perform under this contract is similar to that performed by public employees, attached are class specifications for the Clerk II, SR 06, State position that perform messenger service duties.

Effective January 1, 1995, the basic hourly wage paid to a Clerk II position is \$8.03 per hour. Accordingly, bidder should consider the aforementioned wage rate when preparing his/her bid.

**CONTRACT ADJUSTMENT PURSUANT TO SECTION 103-55, HRS**

At the release of this bid solicitation, only the current wage of State employees performing similar work is known. Should public employee wages increase during any period of the contract, including supplements, the Contractor may request for an increase in contract price. The increase requested must result in an increase in wages to the Contractor's employees performing the work herein, including any increase in costs for benefits required by law that are automatically increased as a result of increased wages, such as federal old age benefits, workers' compensation, temporary disability insurance, unemployment insurance, and prepaid public health insurance.

Contractor's request for an increase must meet the following criteria:

1. At the time of a request, Contractor must provide documentation to show that he is in compliance with Section 103-55, HRS, i.e., its employees are being paid no less than the known wage of the State position listed herein. Documentation shall include the employees' payroll records and a statement that the employees are being utilized for this contract.
2. At the time of bidding, the Contractor must have specified on the appropriate Offer Form page, the percentage of the bid price per month that represents labor costs. If the Contractor fails to specify the percentage, the Contractor's request for increase will not be considered.
3. Request for increase must be made in writing to the State Procurement Office on a timely basis.
  - a. Request for increase for the initial contract period must be made as soon as practicable after the State wage increase.
  - b. Request for increase for supplemental period of the contract must be made prior to the start of the supplement. Contractor is to call the Purchasing Specialist named on the cover of this Invitation for Bids to obtain the current wage information.

## CONTRACT ADJUSTMENT PURSUANT TO SECTION 103-55, HRS

If the Contractor meets the above criteria in its request for contract price increase, the following formula shall be used to calculate the increase:

First Increase:  $WI = (XY) (Z) + FBI$                        $FBI = (XY) (Z) (FB\%)$

whereby, WI = Dollar amount increase in bid price per month due to increase in State wages;  
X = Original contract price per month;  
Y = Percentage of bid price per month designated by Contractor as representing labor costs;  
Z = Percentage increase in wages paid to State employees performing similar work;  
FBI = Dollar amount increase for fringe benefit due to increase in State wages;  
FB% = % total for allowable fringe benefits. Contractor must provide support documentation and an itemized percentage breakdown of the fringe benefits being paid;

The State has determined that the applicable fringe benefits for wage related price adjustments shall be limited to: 1) Federal Old Age Benefits, 2) Worker's Compensation, 3) Temporary Disability Insurance, and 4) prepaid Health Care.

The increase shall be reflected in either a change order or in the supplemental agreement issued for any extended period of the initial contract.

## METHOD OF AWARD

Award, if any, will be to the responsible and responsive bidder submitting the lowest evaluated total bid price. Evaluated total bid price shall be used to determine the lowest responsive bidder only. Award shall be for the twelve-month total based on the bid price per month, plus any special runs made during the contract period.

Prior to awarding the contract, the State will require certification of the following insurance coverages:

Workers' Compensation  
Temporary Disability  
Unemployment Insurance  
Prepaid Health Care

## EXECUTION OF CONTRACT

The State shall forward a formal contract to be successful offeror for execution. The contract shall be signed by the successful offeror and returned within ten (120) days after receipt by the offeror as specified in Section 3.3 of the General Terms and Conditions. NO PERFORMANCE AND PAYMENT BONDS ARE REQUIRED.

If the option to extend for an additional twelve-month period or part thereof is mutually agreed upon, the Contractor shall be required to execute a supplement to the contract.

## LIABILITY INSURANCE

The Contractor shall provide the following minimum insurance limits and coverages:

<u>Coverage</u>	<u>Limits</u>
Commercial General Liability (occurrence form)	\$300,000 combined single limit per occurrence for bodily injury and property damage
Comprehensive Three D Crime Policy	Not less than \$25,000
Comprehensive Auto Liability (If vehicle is used)	BI: \$100,000 per occurrence PD: \$ 50,000 per occurrence

Each insurance policy required by this contract shall contain the following clauses:

1. "This insurance shall not be canceled, limited in scope of coverage or non-renewed until after 30 days written notice has been given to the State of Hawaii, Department of Accounting and General Services, State Procurement Office, P. O. Box 119, Honolulu, Hawaii 96810-0119."
2. "The State of Hawaii is added as an additional insured as respects to operations performed for the State of Hawaii."
3. "It is agreed that any insurance maintained by the State of Hawaii will apply in excess of, and not contribute with, insurance provided by this policy."

Each insurance policy shall be written by insurance companies licensed to do business in the State or meet Section 431:8-301, Hawaii Revised Statutes, if utilizing an insurance company not licensed by the State of Hawaii.

Failure of the Contractor to provide and keep in force such insurance shall be regarded as material default under this contract, entitling the State to exercise any or all of the remedies provided in this contract for a default of the Contractor.

The procuring of such required policy or policies of insurance shall not be construed to limit Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this contract. Notwithstanding said policy or policies of insurance, Contractor shall be obliged for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this contract.

The Contractor agrees to deposit with the State of Hawaii, on or before the effective date of this contract, certificate(s) of insurance necessary to satisfy the State that the insurance provisions of this contract have been complied with and to keep such insurance in effect and the certificate(s) therefor on deposit with the State during the entire term of this contract. Upon request by the State, Contractor shall furnish a copy of the policy or policies.

## INVOICE

Contractor shall submit a monthly invoice, original and three copies, for services rendered to:

### Item 1

DHS/MQD/ADMINISTRATION  
P.O. Box 339  
Honolulu, HI 96809-0339

### Item 2

DHS/MQD/ELIGIBILITY BRANCH  
P.O. Box 339  
Honolulu, HI 96809-0339

All invoices shall reference the contract number assigned to the contract.

## PAYMENT

Section 103-10, HRS, provides that the State shall have thirty (30) calendar days after receipt of invoice or satisfactory delivery of goods or performance of the service to make payment. For this reason, the State will reject any bid submitted with a condition requiring payment within a shorter period. Further the State will reject any bid submitted with a condition requiring interest payments greater than that allowed by Section 103-10, HRS, as amended.

The State will not recognize any requirement established by the Contractor and communicated to the State after award of the contract, which requires payment within a shorter period or interest payment not in conformance with statute.

The tax clearance submitted with your invoice for final payment now requires both DOTAX and IRS approvals. The clearance submitted earlier is not acceptable for final payment purposes. You must obtain a new tax clearance from DOTAX and IRS and it must be an original (certified copy is not acceptable), not over 45 days old, with box 3.a. of the **Tax Clearance Application (Form A-6)** completed for a specific contract, purchase order, or job number.

## FEDERAL FUNDS

It is covenant and agreed by and between the parties hereto that, as to the portion of the obligation under this contract to be payable out of federal funds, this contract shall be construed to an agreement to pay such portion to the Contractor only out of federal funds to be received and shall not be construed as a general agreement to pay such portion at all events out of any funds other than those which are received from the federal government.

## REMOVAL OF CONTRACTOR'S EMPLOYEES

Contractor agrees to remove any of his employees from services rendered and to be rendered the State, upon request in writing by the Contracting Officer.

## LIQUIDATED DAMAGES

Refer to Section 6.12 of the General Terms and Conditions. Liquidated damages is fixed at the sum of TWENTY-FIVE DOLLARS (\$25.00) for each and every calendar day the Contractor fails to perform in whole or in part any of his obligations specified hereunder.

## **RIGHTS AND REMEDIES FOR DEFAULT**

In the event the Contractor fails, refuses or neglects to perform the services in accordance with the requirement of these Special Provisions, the Specifications, and General Terms and Conditions herein, in addition to the recourse stated in Section 4.2 and 5.6 of the General Terms and Conditions, the State reserves the right to purchase in the open market, a corresponding quantity of the services specified herein and to deduct from any moneys due or that may thereafter become due the Contractor, the difference between the price named in the contract and the actual cost thereof to the State. In case any money due the Contractor is insufficient for said purpose, the Contractor shall pay the difference upon demand by the State. The State may also utilize all other remedies provided by law.

## **ADDITIONS AND EXCEPTIONS TO THE GENERAL TERMS AND CONDITIONS**

**Approvals.** Any agreement arising out of this offer is subject to the approval of the Department of the Attorney General as to form, and to all further approvals, including the approval of the Governor, required by statute, regulation, rule, order, or other directive.

**Cancellation of Solicitations and Rejection of Offers.** The solicitation may be cancelled or the offers may be rejected, in whole or in part, when in the best interest of the purchasing agency, as provided in Sections 3-122-95 through 3-122-97, Hawaii Administrative Rules.

**General Terms and Conditions Not Applicable.** Sections 2.11 and 2.14 of the General Terms and Conditions which apply specifically to the Request for Proposals method of source selection are not applicable to Invitation for Bids. Also Sections 2.10 and 2.13 which apply specifically to the Invitation for Bids method of source selection are not applicable to Requests for Proposals.

**Records Retention.** The Contractor any subcontractors shall maintain the books and records that relate to the Agreement any cost or pricing data for three (3) years from the date of final payment under the Agreement



